

ENERGY EFFICIENCY AND RESOURCES MANGEMENT COUNCIL

Minutes-May 17, 2010

Conference Room B, Second Floor, DOA

Call to Order: Chairman Ryan called the meeting to order at 3:45. Do to a lack of a quorum; this is not an official EERMC Meeting but rather a Work Session.

Members Present: Paul Ryan, Sam Krasnow, Joe Cirillo, Vic Allienello, and Ken Payne

Staff Present: Charles Hawkins

Consultants: Scudder Parker, Betsy Harper, Mike Guerard and Liz Hicks

Others Present: Marion Gold, Rachel Sholly, Corey Haley and David Brown

Executive Directors Report

Ken P. reported that in its role as staff support for the Council, the OER has drafted a RFP for consultant services. He suggested the council appoint a sub-committee to review it with him so it can move

forward. In non-ARRA programs WAP is weatherizing homes faster than expected, at a rate of 150 homes a month, up from last year's 112.

ARRA Update:

- Agreements have been sent out to recipients of the first round of SEP Non-Utility Scale Renewable Energy grants. (N-U-R)
- A Technical Review Committee has met to score round two of the N-U-R.
- The MOU with the governor's office has been executed
- The MOU on the Ocean SAMP will be executed directly with URI, instead of the EDC and should be complete by the end of the month
- On EECBG, An ESCO Workshop was held at CCRI on 4/30 that included representation from 35 of the 39 towns and all 10 ESCOS on the MPA list.
- By the end of the month it is anticipated draft rules for both residential deliverables and C&I SEP EE programs will be written.
- The Competitive Round of the EECBG resulted in 55 applications and the technical review process is getting ready to begin.

NEW BUSINESS

Consultation on the 40% RGGI Plan

Ken P. said that as Administrator of the OER he is required to consult with the Council on RGGI spending plans. 60% of the RGGI funding

was earmarked directly to NGrid to be used in their EE program Plan. The 40% segment was to be based on a plan submitted by NGrid to OER who would decide on it based on consultation with the EERMC & DEM. Ken P. has a meeting on 5/19 with DEM. The NGrid Plan follows the settlement of the parties to the 2010 EEE program Plan pursuant to the PUC directive to find money to fund LCP. Sam K. said that the Council's support for the settlement speaks for itself. He stated that the RGGI's 40% is critical to get to the goal of LCP

Paul R. spoke of the strain that has developed between the PUC and the Assembly that could affect RGGI in the next session. Ken P. feels that Wastewater Treatment plants were an unfortunate omission from the NGrid plan. Their second highest cost, after personnel, is energy.

This is something that EPA Regional's Curt Spalding wants to make progress on. Ken P. is not suggesting, however, that the plan be held up. Sam K. agreed but said that speed was of the essence.

Educational Seminar Planning & Budget

Paul R. inquired about the budget. Charles Hawkins said the preliminary budget compiled by the OER was approximately \$6,000. The major expense will be food and marketing. Marion Gold from the URI Energy Center (URI) wondered if some of the budget could go to compensate the center for expenses. She then gave an update on the planning for the event.

URI had been coordinating an event with the Washington County Regional Planning Comm. and Alteris Renewables centered on all the good things that were happening around energy efficiency and renewables in RI. When it was noted that the EERMC was planning a similar event it was decided to merge the events and hold a single event on Saturday morning June 5th at URI. It was also decided to integrate renewable energy into all three of the interactive breakout sessions that were planned.

The plenary session will include URI President Dooley who will introduce the keynote speaker and US Senator Sheldon Whitehouse. The other speakers will be EERMC Chair Paul R. and OER Administrator Ken P. EPA Regional Administrator Curt Spalding has also been invited. Paul R. will address the mission and role of the EERMC; Ken P. will address RI energy infrastructure-- letting people know where RI's energy comes from and how it is used.

There will be 2 council members at each breakout to explain the role of the EERMC. I have attached an outline with breakouts and speaker to the minutes.

Marion G. emphasized that it is important to have someone from NGrid and RISE at each breakout to explain their EE programs. She does not currently have a rep from either RISE or NGrid for the residential breakout. She is having a hard time getting a handle on who does what at NGrid. Sam K. suggested contacting Ed White, the

new VP for EE at NGrid. He offered to reach out to Ed. Sam K. also wanted to make sure that Aspen Air Gels is included in either the residential or the C&I breakout. They are interested in where multi-family residential will be discussed. It was decided to slot them in the residential breakout.

Rachel Sholley has set up an on-line registration for planning purposes to determine how many people will be in each track. A press release has also gone out. The event venue, the URI Center for Biotechnology and Life Sciences, has enough room for at least 30 display tables so we are offering companies and non-profits the ability to exhibit.

The event will wrap-up with a half hour “Where do we go from here” session moderated by Sam K. Here we can emphasis the good things that are happening in RI, like being 9th in the nation in EE with a goal of moving up to at least 5th. Scudder P. said it was sad that Delaware had better EE PR than RI when RI was doing far more substantial things.

Marion G. wanted to see the Council highlight the Annual Report at the event. 400 copies of the report will be available at the forum.

Ken P. suggested that it would be a good idea to have semi-annual events in the spring and fall to highlight the dynamics of energy in RI.

People can discuss what is going on in technology and policy.

Marion G. cited the 2008 Energy Expo and asked the Council if it would support such an event. Paul R. feels that the next big event has to happen in Providence. Scudder P. cited an annual event in Vermont “Better Improvement by Design” which has proven to be an effective networking opportunity. Sam K. thanked the URI Energy Center for their fine work in planning the event.

Filling Vacancies on the Council

Paul R. expressed continuing desire to get the residential vacancy filled. Sam K. felt it was critical to get action this legislative session because along with the need for residential representation both C&I seats are expiring. Paul R. offered to call the Governor’s Chief of Staff. Ken P. suggested getting together a package of recommendations, with the qualifications clearly stated, and sent it with a letter to the Assembly and the Governor.

Sam K. then informed the Council that due to his family’s relocation to California he would need to resign his seat. The environment council of RI (ECRI) has endorsed filling this vacancy with Abigail Anthony.

It was agreed to package all three vacancies and send them with resumes. Ken & Paul will work on this in the next week. There is a rollover provision where members whose terms are expiring will be able to serve until their appointment is renewed.

KEMA Phase 2 Opportunity Report Update

Liz Hicks of KEMA was introduced to give an update on the result of the residential and commercial surveys that have been conducted. Top twenty measures for economic potential included CFL lighting and second refrigerator recycling.

Next steps include: running next achievable potential for residential, making any changes to technical and economic potential if needed; inputting commercial industrial results into a model; and running commercial and industrial technical and economic potential.

Sam K. asked about timing for the report's next deliverables. Liz said they should have the residential achievable within a week. The C&I technical and economic achievable surveys will be done by June 1st. Sam K. wanted to push for June 1st and would like to package the results, with the help of VEIC and Optimal, to align it with LCP goals.

NEW BUSINESS

VEIC Presentation on Opportunities for Residential Finance Programs

Betsy Harper began by citing the standards PUC set in 2008 for the three year plan that includes investigating new strategies to make

available the capitol needed to implement EE projects and the second was to move beyond traditional financing strategies that should include new capitol availability to overcome market barriers.

Her presentation included what is not working in existing utilities programs and innovation being driven at the state and federal level. She also offered a portfolio of solutions and next steps in overcoming market barriers. I have attached this power point to the minutes.

The three possible solutions discussed that other states are working on

- PACE-Property Assessed Clean Energy bonds
- Revolving Loan funds backed by a Loan Loss Reserve
- An “emerging” solution: securitizing loans as assets-aggregating vary large volumes to sell to the secondary market

Paul R. suggested using the RIHMFC (now know as RI Housing) as a bonding agent because it already exists. They could be used to set up mortgage revolving bonds. Vic A. suggested using LIHEAP to set up a revolving loan program. The barrier here is that tenants do not want to face rent increases because of the improvements. Joe C. said that RI once had an agency called the Department of Community Affairs that provided municipalities with the expertise to do projects like this

He also asked what states have implemented PACE. Betsy H. said

that it had been authorized in eighteen states but only implemented in seven. Leaders in this area include Oregon, California, Colorado, New York and New Jersey.

Betsy H. then asked members what they felt about revolving loans. Paul R. felt that the Council should tackle PACE first then do revolving loans. VEIC offered to continue this presentation with more advance data for the July EERMC meeting

Sub-Committee to Review Draft Consultant RFP

It was agreed to form a sub-committee to review the draft consultant RFP that has been developed by the OER. This sub-committee will met in a work session before the June meeting with Ken Payne and DOA and Statewide Purchasing legal staff to prepare an RFP that can be voted on the regular monthly meeting of the EERMC.

Discussion of Possible EERMC Legislative Initiatives

It was agreed to hold off on this agenda item until the July meeting to review this year's assembly session

Public comment

There was no public comment.

Adjournment

Paul Ryan adjourned the work session at 6:20 PM

Respectfully submitted

Charles Hawkins

Secretary Pro-tempore